Paper No. 28

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte PATRICK SAVAGE, JITENDRA CHHIKARA and
FREDERICK W. PLATZ, JR.

Appeal No. 2004-0094
Application No. 09/181,658

ON BRIEF

Before JERRY SMITH, FLEMING and NAPPI, Administrative Patent Judges.

NAPPI, Administrative Patent Judge.

DECISION ON APPEAL

This is a decision on the appeal under 35 U.S.C. § 134 from the examiner's rejection of claims 1, 4 through 6, 9 through 57.

The Invention

The invention relates to a computerized system to combine the billings from multiple vendors into a single statement for a customer. (See appellants' specification page 3). The system is implemented by a financial institution, which through contracts with billers, has bill data electronically transmitted to the financial institution (see appellants' specification page 5). The financial institution obtains ownership of the receivables for each of the bills. The financial institution provides a bill to the customer for the services provided by the vendors working with the financial institution (see page 6 of appellants' specification).

Claim 1 is representative of the invention and is reproduced below.

> 1. A method of combined billing for at least one customer on a plurality of customer accounts, comprising:
>
> receiving account data for the plurality of customer accounts electronically from time-to-time by a service provider from each of a plurality of billers;
>
> acquiring ownership of receivables represented by the account data by the service provider under contractual arrangements with the plurality of billers upon receipt of the account data;
>
> automatically calculating account charges for the plurality of customer accounts from the account data;
>
> aggregating the account charges for at least one customer on the plurality of customer accounts;
>
> automatically formatting a combined bill for the customer from the aggregated account charges; and

automatically rendering the combined bill to the customer;

wherein at least one of the plurality of accounts is a recurring bill account and wherein the customer continues to purchase products or services from at least one of the billers after the service provider acquires ownership of the receivables associated with the account data received.

References

The references relied upon by the examiner are:

Smorodinsky	6,049,786	April 11, 2000 (filed July 22, 1997)

Saville "Convergent Billing & Customer Care", A Telecommunications Industry White Paper, Spring 1997, pp. 1-10.

Rejections at Issue

Claims 1, 4, 9 through 16, 19 through 22, 32 through 35, 38 through 41 and 50[1] through 57 stand rejected under 35 U.S.C. § 103 as being obvious over Saville in view of Official Notice. Claims 5, 6, 17[2], 18, 23 through 31, 36, 37, 41 through 49 stand rejected under 35 U.S.C. § 103 as being obvious over Saville in view of Official Notice and Smorodinsky. Rather than repeat the arguments of appellants or the examiner we

[1] It is noted that the statement of the rejection does not identify that claim 50 is included in the rejection under 35 U.S.C. § 103 as being obvious over Saville in view of Official Notice. However, the explanation of the rejection includes claim 50 and appellants in their arguments address claim 50 as included in the rejection under 35 U.S.C. § 103 as being obvious over Saville in view of Official Notice. Accordingly, we will treat claim 50 as being included in this rejection. See ***Ex Parte Emm*** 118 USPQ 180, 181 (BdPatApp&Int, 1958).

[2] It is noted that the statement of the rejection does not identify that claim 17 is included in the rejection under 35 U.S.C. § 103 as being obvious over Saville in view of Official Notice and Smorodinsky. However, for the same reasons provided *supra* with respect to claim 50, we will treat claim 17 as included in the rejection under 35 U.S.C. § 103 as being obvious over Saville in view of Official Notice and Smorodinsky.

make reference to the appeal brief[3] and the examiner's answer for the respective details thereof.

Opinion

With full consideration being given to the subject matter on appeal the examiner's rejection and the arguments of the appellants and the examiner, for the reasons stated *infra* we will not sustain the examiner's rejection of claims 1, 4 through 6, 9 through 57 under 35 U.S.C. § 103.

We first consider the examiner's rejection of claims 1, 4, 9 through 16, 19 through 22, 32 through 35, 38 through 41 and 50 through 57. The examiner sets forth this rejection on pages 4 through 14 of the examiner's answer. The examiner states on pages 13 and 14 of the answer:

> Saville does not explicitly disclose acquiring ownership of receivables represented by the account data by the service provider under contractual arrangements with the plurality of billers upon receipt of the account data. Official Notice is taken that it is old and well known within the financial services industry wherein a financial institution buys debts, such as bills, from other organizations. This is common in the mortgage market between the first and secondary markets. This is also used by companies who need cash and sell their account receivables (debts) to a financial institution or collection agency. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to acquire ownership of receivables. One would be motivated to acquire ownership of receivables in order to increase the flexibility of the financial solutions and to integrate all the steps of the billing process with the reception and control of the customer payments.

[3] This decision is based upon the appeal brief filed by appellants on April 4, 2003.

We note that in the amendment and arguments filed on July 26, 2001, appellants requested the examiner to provide evidence to support the reliance on official notice. The examiner has not provided the requested evidence in either the subsequent office action, dated January 15, 2001, or the Examiner's answer, rather the examiner reiterated the same reasoning, relying on Official Notice. Nonetheless, appellants have subsequently admitted some of the evidence officially noticed by the examiner by stating, on page 9 of the brief:

> Appellant agrees that it is common in the mortgage market for mortgages to be sold between the first and secondary markets and that companies needing cash sometimes sell their account receivables (debts) to a financial institution or collection agency.

However, appellants argue, on page 9 of the brief, that the claimed invention is different than the scenario of selling mortgages and debit as:

> Appellant's [sic] claims relate to acquiring ownership of receivables represented by account data that is electronically received from time-to-time from each of a plurality of billers, wherein at least one of the plurality of accounts is a recurring bill account, wherein a customer continues to purchase products or services from at least one of the billers after the service provider acquires ownership of the receivables associated with the account data received, and wherein the service provider acquires ownership of receivables associated with the subsequently purchased products or services after receiving account data for the customer account from the at least one biller.

Appellants further differentiate the claimed invention from the scenario of selling mortgages by arguing, on page 10 of the brief, that "the selling of a particular mortgage between the first and secondary markets, as cited by the Examiner, is a one-time acquisition by the purchaser and is not recurring."

We find that appellants' arguments are not commensurate with the scope of the claims. We do not find that any of independent claims 1, 50, 54, 55, 56 or 57 include a limitation that "wherein the service provider acquires ownership of receivables associated with the subsequently purchased products or services after receiving account data for the customer account from the at least one biller" as argued by appellants on page 9 of the brief. Nonetheless, we do find that independent claims 1, 50, 54, 55, 56 or 57 include limitations directed to receiving account data electronically from time-to-time and acquiring ownership of the receivables associated with the account.

Appellants argue, on page 10 of the brief that there is no motivation or suggestion in the references to combine the officially noticed evidence with the teaching of Saville.

The examiner's response to appellants' arguments, on page 21 of the answer, reiterates the statement from the January 15, 2002 final rejection, that buying and selling debts is "old and well known." Further, the examiner states, on page 21 of the answer: "[e]xaminer notes that the [sic] Seville discloses by [sic] debits, and that action is not limited to a one-spot and not limitation shows that this step in Saville can be object of recurring actions."

We do not find the examiner's reasoning to be convincing or supported by evidence of record. While we concur with the examiner that Saville teaches a system

where several business units can combine their bills for a single customer to one bill (see Saville, page 4, 4th paragraph and 7th paragraph), we find that the examiner has not shown that Saville teaches or contains a suggestion that ownership of the account receivables is acquired from the billers upon receipt of the account data. Further, we consider the examiner's statement, that buying debit is old and well known and that one would be motivated to "acquire ownership in order to increase the flexibility of the financial solutions" to be a broad conclusory statement which is un-supported by evidence of record.

Our reviewing court has "In reviewing the [E]xaminer's decision on appeal, the Board must necessarily weigh all of the evidence and arguments." ***In re Oetiker***, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992). "[T]he Board must not only assure that the requisite findings are made, based on evidence of record, but must also explain the reasoning by which the findings are deemed to support the agency's conclusion." ***In re Lee***, 277 F.3d 1338, 1344, 61 USPQ2d 1430, 1434 (Fed. Cir. 2002). When determining obviousness, "[t]he factual inquiry whether to combine references must be thorough and searching." ***Lee***, 277 F.3d at 1343, 61 USPQ2d at 1433, ***citing McGinley v. Franklin Sports, Inc.,*** 262 F.3d 1339, 1351-52, 60 USPQ2d 1001, 1008 (Fed. Cir. 2001). "It must be based on objective evidence of record." ***Id.*** "Broad conclusory statements regarding the teaching of multiple references, standing alone, are not 'evidence.'" ***In re Dembiczak***, 175 F.3d 994, 999, 50 USPQ2d 1614, 1617.

"Mere denials and conclusory statements, however, are not sufficient to establish a genuine issue of material fact." ***Dembiczak***, 175 F.3d at 999, 50 USPQ2d at 1617, ***citing McElmurry v. Arkansas Power & Light Co.,*** 995 F.2d 1576, 1578, 27 USPQ2d 1129, 1131 (Fed. Cir. 1993). The Federal Circuit states that, "[t]he mere fact that the prior art may be modified in the manner suggested by the Examiner does not make the modification obvious unless the prior art suggested the desirability of the modification." ***In re Fritch,*** 972 F.2d 1260, 1266 n.14, 23 USPQ2d 1780, 1783-84 n.14 (Fed. Cir. 1992), citing ***In re Gordon***, 733 F.2d 900, 902, 221 USPQ 1125, 1127 (Fed. Cir. 1984). In addition, our reviewing court stated in ***Lee,*** 277 F.3d at 1343, 61 USPQ2d at 1433, that when making an obviousness rejection based on combination, "there must be some motivation, suggestion or teaching of the desirability of making the specific combination that was made by Applicant" (quoting ***In re Dance***, 160 F.3d 1339, 1343, 48 USPQ2d 1635, 1637 (Fed. Cir. 1998).

Finally, in as much as appellants have admitted, on page 9 of the brief that "it is common in the mortgage market for mortgages to be sold between the primary and secondary markets and that companies needing cash sometimes sell their accounts receivables (debits) to a financial institution or collection agency", we do not find that appellants have admitted that the claimed features of: receiving account data electronically from time-to-time, acquiring ownership of the receivables represented by the account data and wherein at least one of the accounts is a recurring bill, is well

known. Further, the examiner has not shown, nor do we find, that appellants' admission provides any suggestion to modify Saville's system, where a several business units can combine their bills for a single customer to one bill, to include acquiring ownership of the receivables represented by the service provider. Accordingly, we will not sustain the rejection of claims 1, 4, 9 through 16, 35, 38 through 41 and 50 through 57.

We next consider the rejection of claims 5, 6, 17, 18, 23 through 31, 36, 37, 41 through 49 stand rejected under 35 U.S.C. § 103 as being obvious over Saville in view of Official Notice and Smorodinsky. Claims 5, 6, 17, 18, 23 through 31, 36, 37, 41 through 49 all ultimately depend upon independent claim 1 and accordingly contain the same limitations of claim 1. As discussed *supra* the combination of Saville and the officially noticed facts do not teach all of the limitations of claim 1. The examiner has not asserted, nor do we find that Smorodinsky teach or suggest a system where ownership of the account receivables is acquired from the billers upon receipt of the billers. Accordingly, we will not sustain the rejection of claims 5, 6, 17, 18, 23 through 31, 36, 37, 41 through 49.

For the forgoing reasons, we will not sustain the examiner's rejections of claims 1, 4 through 6, 9 through 57 under 35 U.S.C. § 103.

Reversed

JERRY SMITH Administrative Patent Judge	)	
MICHAEL R. FLEMING Administrative Patent Judge	)	BOARD OF PATENT APPEALS AND INTERFERENCES
ROBERT NAPPI Administrative Patent Judge	)	

RN/RWK

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